

The Corporation of the City of Guelph

By-law Number (2026) - 21270

A by-law to establish a Rental Replacement Permitting system in the City of Guelph

Whereas subsection 8(1) of the *Municipal Act, 2001, S.O. 2001, c.25* as amended ("Municipal Act, 2001") provides that the powers of a municipality shall be interpreted broadly to confer broad authority on a municipality to enable it to govern its affairs as it considers appropriate;

And whereas, under sections 20 to 24 of the *Municipal Act, 2001*, the City may delegate its powers and duties under the Act to an officer or employee of the City;

And whereas, in accordance with subsection 23.2(4) of the *Municipal Act, 2001*, Council for the City of Guelph is of the opinion that the delegation of the legislative powers under this by-law to the General Manager including, without limitation, the power to issue and impose conditions on a permit are powers of a minor nature having regard to the number of people, the size of the geographic area, and the time period affected by the exercise of the power;

And whereas, without limiting the broad municipal powers, section 99.1 of the *Municipal Act, 2001* provides that a local municipality may adopt by-laws to prohibit, and regulate the demolition of residential rental properties containing six or more dwelling units and the conversion of residential rental properties containing six or more dwelling units to a purpose other than the purpose of a residential rental property;

And whereas, the City wishes to exercise its powers under section 99.1 of the *Municipal Act, 2001* to protect residential rental housing in order to meet the needs of current and future residents;

And whereas, under sections 425 and 429 of the *Municipal Act, 2001*, the City may pass by-laws to create offences and a system of fines for offences that are designed to eliminate or reduce any economic advantage or gain from contravening the by-law;

And whereas, section 436 of the *Municipal Act, 2001* provides that a municipality may pass by-laws to authorize inspections to determine compliance with a by-law;

And whereas, subsection 391(1) (a) of the *Municipal Act, 2001* provides that a municipality may pass by-laws imposing fees or charges on Persons for services or activities provided or done by it or on behalf of it.

The Council of the Corporation of the City of Guelph hereby enacts as follows:

PART I – TITLE AND SCOPE

1 Title

- 1.1 This By-law shall be known and cited as the Rental Replacement By-law.

2 Scope

- 2.1 This By-law shall apply to all Residential Rental Properties in the City containing six (6) or more Dwelling Units and all Related Planning Applications.
- 2.2 Notwithstanding section 2.1, this By-law does not apply to a Residential Rental Property that is:
- (a) A licensed hotel, motel, bed and breakfast, or short-term rental and
 - (b) Any building to which any of the following statutes, or their regulations, apply:
 - (i) the *Homes for Special Care Act, R.S.O. 1990, c. H.12*;
 - (ii) the *Long-Term Care Homes Act, 2007, S.O. 2007, c. 8*;
 - (iii) the *Retirement Homes Act, 2010, S.O. 2010, c. 11*; and
 - (iv) the *Housing Services Act, 2011, S.O. 2011, c. 6, Sched. 1*.

- (c) Described in section 5 (Exemptions from Act) of the *Residential Tenancies Act, 2006* other than section 5(c), a member unit of a Non-Profit Housing Co-operative; or
- (d) Rental Units operated by non-profit organizations.

PART II – DEFINITIONS

3 Definitions

- 3.1 For the purposes of this By-law, the following definitions and interpretations shall govern:

“Applicant” means the registered owner of the property or properties subject to the Rental Replacement Permit application, or Person or Persons designated by the owner to act on their behalf.

“Average Market Rent”, or **“AMR”** means, in respect of a Rental Unit, rent that is at or below the average market rent by type of unit in the City of Guelph as established annually by the CMHC.

“Building Code Act, 1992” means the *Building Code Act, 1992, S.O. 1992 c. 23* as amended from time to time or any successor thereof.

“City” means the Corporation of the City of Guelph.

“City Solicitor” means the General Manager, Legal and Court Services/City Solicitor, their designate, or any successor hereto.

“CMHC” means the Canada Mortgage and Housing Corporation.

“Comparable Rental Unit” means a Rental Unit within the City of Guelph with a quantity of bedrooms generally equal to the unit from which the Tenant is displaced, offered to the Tenant at their existing rent, and shall include, at minimum, access to reasonably comparable amenities to those included with their existing Rental Unit.

“Conversion” or **“Convert”** means converting a Residential Rental Property to a purpose other than a Residential Rental Property and includes:

- (a) Conversion as a result of a consent to sever land under section 53 of the *Planning Act*.
- (b) Conversion to:
 - (i) A non-residential use.
 - (ii) Living accommodation other than Dwelling Units.
 - (iii) A Co-ownership, a condominium, or a building organized as a Life Lease Project.

“Co-ownership” means an equity co-operative or other co-ownership form of housing, where the residential property is ultimately owned, or leased, or otherwise held, directly or indirectly by more than one Person, where any such Person, or a Person claiming under such Person, has the right to present or future exclusive possession of a Dwelling Unit in the residential property. Co-ownership does not include a condominium, a residential building that is organized as a Life Lease Project or a non-profit housing Co-operative under the *Co-operative Corporations Act, R.S.O. 1990, c. C. 35*.

“Council” means the Council of the Corporation of the City of Guelph.

“Demolition” or **“Demolish”** means to do anything in the removal of a building or any material part thereof and includes (but is not limited to) interior renovations and alterations that will result in a change to the number of:

- (a) Dwelling Units;
- (b) Dwelling Units by bedroom type.

“Dwelling Unit” means a room or group of rooms occupied or designed to be occupied as an independent, separate, self-contained housekeeping unit and does not include a mobile home.

“Existing Rent” means the rent a Tenant is paying for the Rental Unit at a building subject to a Rental Replacement Permit Process on the date that an application is made to the City pursuant to this By-law or the date a Related Planning Application was filed, whichever is earlier.

“General Manager” means the General Manager, Strategic Initiatives and Intergovernmental Services.

“Guidelines” means the document titled Rental Replacement Guidelines, detailing the process, conditions and requirements for permitting the Demolition or Conversion of Dwelling Units under this By-law.

“Life Lease Project” means a life lease project as described in paragraph 1 of subsection 3(1) of Ontario Regulation 282/98, under the *Assessment Act, R.S.O. 1990, c. A. 31*.

“Non-Profit Housing Co-operative” means a non-profit housing co-operative under the Co-operative Corporations Act and Co-operative has the same meaning.

“Ontario Heritage Act” means *Ontario Heritage Act R.S.O. 1990, c. O. 18*, as amended from time to time or any successor thereof.

“Officer” means a police officer or any by-law enforcement officer of the City or any person appointed as a provincial offences officer by the City;

“Person” or any expression referring to a Person means an individual, sole proprietorship, partnership, limited partnership, trust, or body corporate or an individual in his or her capacity as a trustee, executor or administrator or any other legal representative.

“Planning Act” means the *Planning Act, R.S.O. 1990, c. P. 13* as amended from time to time or any successor thereof.

“Related Buildings” means:

- (a) Buildings that are under the same ownership and on the same parcel of land as defined in section 46 of the Planning Act; or,
- (b) Buildings that form part of the same application under this By-law or under a Related Planning Application.

“Related Planning Application” means:

- (a) An application that provides for the Demolition of Residential Rental Property or the Conversion of Residential Rental Property for a purpose other than a Residential Rental Property expressly or by necessary implication.
- (b) For greater certainty, paragraph 1 includes, but is not limited to, an application for the following:
 - (i) A permit under section 8 or 10 of the *Building Code Act, 1992*.
 - (ii) A consent or permit to alter part of a property or to Demolish or remove a building or structure under section 33, 34, 34.5, or 42 of the *Ontario Heritage Act*.
 - (iii) Approval or registration of a description for a proposed condominium or exemption from approval of a condominium, under section 9 of the *Condominium Act*.
 - (iv) An amendment to the Official Plan under section 22 of the *Planning Act*.
 - (v) A zoning by-law amendment under section 34 of the *Planning Act*.
 - (vi) A minor variance under section 45 of the *Planning Act*.
 - (vii) Approval of plans and drawings under subsection 41(4) of the *Planning Act*.
 - (viii) Approval of a plan of subdivision under section 51 of the *Planning Act*.
 - (ix) A consent under section 53 of the *Planning Act*.
 - (x) A demolition permit under section 33 of the *Planning Act*.
- (c) Despite subparagraph 2 (5), paragraph 1 of this definition does not include City-initiated zoning by-law amendments made pursuant to section 34 of the *Planning Act* to implement land use studies and other policies, except for any site-specific exemptions or site-specific provisions at the request of an Applicant.

“Rental Replacement Permit” means the permit issued by the General Manager after the approval of an application under this By-law.

“Rental Unit” means a Dwelling Unit used, or intended for use, for residential rental purposes, including:

- (a) A Dwelling Unit that has been used for residential rental purposes and is, according to the definition contained in the Guidelines, vacant; and,
- (b) A Dwelling Unit in a Co-ownership that is or was last used for residential rental purposes but does not include a Dwelling Unit in a condominium registered under section 2 of the Condominium Act, 1998 or in a building organized as a Life Lease Project where the right to occupy the Dwelling Unit is based on a life lease interest.

“Residential Rental Property” means a building or Related Buildings containing one or more Rental Units and includes all common areas and services and facilities available for the use of its residents.

“Residential Tenancies Act, 2006” means the Residential Tenancies Act, 2006, S.O. 2006, c. 17 as amended from time to time or any successor thereof.

“Temporary Off-site Rental Replacement Unit” means a Comparable Rental Unit provided to a Tenant displaced by a Rental Replacement Permit process by the Applicant, either through a lease or sub-lease agreement.

“Tenant” includes a Person who pays rent in return for the right to occupy a Rental Unit and includes the Tenant’s heirs, assigns and personal representatives, but does not include a Person who has the right to occupy a Rental Unit by virtue of being,

- (a) A co-owner of the Residential Rental Property in which the Rental Unit is located; or,
- (b) A shareholder of a corporation that owns the Residential Rental Property.

“User Fees By-law” means a by-law passed by Council pursuant to section 391 of the Municipal Act, 2001 establishing the user fees for services or activities provided by or on behalf of the City, as amended from time to time or any successor thereof.

“Vacancy Rate” means the Private Row (Townhouse) and Apartment Vacancy Rate for the city of Guelph as reported by the CMHC.

PART III – DEMOLITION AND CONVERSION WITHOUT A PERMIT

4 Demolition

- 4.1 No Person shall Demolish, or cause to be Demolished, the whole or any part of a Residential Rental Property unless the Person has received a Rental Replacement Permit and except in accordance with the terms and conditions of this By-law and the Rental Replacement Permit.

5 Conversion

- 5.1 No Person shall Convert a Residential Rental Property or cause a Residential Rental Property to be Converted to a purpose other than a Residential Rental Property, unless the Person has received a Rental Replacement Permit and except in accordance with the terms and conditions of this By-law and the Rental Replacement Permit.

6 When Permit Not Required

- 6.1 Notwithstanding sections 4.1 and 5.1 of this By-law, a Rental Replacement Permit is not required if only a part of a Residential Rental Property is proposed for Demolition or Conversion and that part does not contain any part of a Dwelling Unit.
- 6.2 Notwithstanding section 5.1 of this By-law, a Rental Replacement Permit is not required if a Residential Rental Property is subject to an application for a consent to sever under section 53 of the Planning Act, and if after the proposed conveyance:
 - (a) Each parcel of land resulting from the severance will have six (6) or more Rental Units; or,
 - (b) One or more parcels of the land resulting from the severance will have six (6) or more Rental Units and all the other parcels of land at the time of the application contained no Dwelling Units.

PART IV – APPLICATION FOR A RENTAL REPLACEMENT PERMIT

7 Application

- 7.1 An Applicant who wishes to Demolish or Convert a Residential Rental Property shall submit an application for approval in writing on a form prescribed by the General Manager and shall supply any additional information or documentation relating to the application as required by the General Manager.
- 7.2 The General Manager is delegated the authority to develop and publish the Guidelines and to periodically review and amend the Guidelines from time to time where deemed appropriate to do so by the General Manager.
- 7.3 An application made under section 7.1 of this By-law shall include the following information:
 - (a) Description of the proposed Demolition or Conversion.
 - (b) The number of existing Dwelling Units.
 - (c) The number of existing and proposed Rental Units by unit type, including number of bedrooms and floor area of each Rental Unit.
 - (d) The Rent(s) rolls for the Residential Rental Property, categorized by unit type.
 - (e) Utility information including rates and charges for the Residential Rental Property, categorized by unit type.
 - (f) Identification of any Related Planning Applications.
 - (g) Where applicable, a proposal for the replacement or retention of the Rental Units proposed for Demolition or Conversion.
 - (h) A proposal for Tenant engagement by the Applicant, including consultation and education.
 - (i) Any additional information or documentation required to evaluate the application, as specified by the General Manager; and,
 - (j) The applicable fees as prescribed under the User Fees By-law.

8 Notice of Application to Tenants

- 8.1 An Applicant for a Rental Replacement Permit shall provide proof of notice of the application to the Tenants of the Residential Rental Property to the satisfaction of the General Manager within fourteen (14) calendar days after the General Manager has advised that the application is complete or within such other time period as determined by the General Manager.

9 Related Planning Application

- 9.1 If a Person makes a Related Planning Application, then that Person shall also file an application under this By-law at the same time.
- 9.2 If a Related Planning Application is made with respect to a Residential Rental Property for which a Rental Replacement Permit is required, the Applicant shall provide written notice to the applicable approval authority and, in the case of an appeal or referral, to the Ontario Land Tribunal or Court, as the case may be.
- 9.3 The notice required under section 9.2 of this By-law shall be filed at the time of the application for a Rental Replacement Permit with the approval authority, or at the same time the referral or appeal of a Related Planning Application is filed with the Ontario Land Tribunal or the Court, as the case may be.
- 9.4 The notice required under section 9.2 of this By-law shall include a statement that the Demolition or Conversion is not permitted unless a Rental Replacement Permit has been given for the Demolition or Conversion pursuant to this By-law.

10 Withdrawal of Application

- 10.1 If the Applicant for a Rental Replacement Permit does not provide all the required documentation to the General Manager within two (2) years from the date the application is received by the City, the Applicant shall be deemed to have withdrawn their application and shall not be entitled to any refunds of any payments made in respect of such application.
- 10.2 Notwithstanding section 10.1 of this By-law, the General Manager may extend the timeframe for the application where the General Manager

determines that the Applicant is actively taking steps to move the application forward.

PART V – ELIGIBILITY FOR A RENTAL REPLACEMENT PERMIT

11 Eligibility for a Rental Replacement Permit

11.1 A Rental Replacement Permit shall be approved without conditions if an application demonstrates that:

- (a) The average Vacancy Rate in the City for the preceding two (2) years is equal to or above three percent; or,
- (b) Existing rents for the Rental Units proposed to be Demolished or Converted are equal to or more than 100% Average Market Rent by unit type.

PART VI - APPROVAL AND ISSUANCE OF RENTAL REPLACEMENT PERMIT

12 Approval by General Manager Under Approval Authority

12.1 All authority of Council to approve an application for a Rental Replacement Permit under section 99.1 of the Municipal Act is delegated to the General Manager. Delegated authority to the General Manager shall include authority to impose any of the following conditions on the Rental Replacement Permit as further detailed in the Guidelines:

- (a) Requirements to provide every Tenant with compensation as determined by the Guidelines, which shall include, but not be limited to, a Temporary Off-site Rental Replacement Unit;
- (b) Requirements to replace an equal number of Rental Units of similar sizes and number of bedrooms to those Demolished or Converted as part of the Related Planning Application to which the Rental Replacement Permit relates, as determined by the Guidelines;
- (c) That the Applicant for the Rental Replacement Permit notify in writing any Tenants who reside in Rental Units affected by the approval of the relevant provisions in the *Residential Tenancies Act, 2006*;
- (d) Requirements that the registered owner of the Residential Rental Property and/or the Applicant provide information, as determined by the Guidelines from time to time, sufficient to verify that the terms of a Rental Replacement Permit are being met;
- (e) Provisions concerning the Applicant's entitlement to claim or act under any of the following until the conditions imposed have been satisfied or secured to the satisfaction of the General Manager:
 - (i) A demolition permit under section 33 of the *Planning Act*.
 - (ii) A consent or permit to alter part of a property or to Demolish or remove a building or structure under section 34, 34.5 or 42 of the *Ontario Heritage Act*.
 - (iii) Approval or registration of a description for a proposed condominium under section 2 of the *Condominium Act, 1998*, or an exemption from approval for a condominium, under section 9 of the *Condominium Act, 1998*; and/or,
 - (iv) A consent under section 53 of the *Planning Act*, except for provisional consent that is conditional on receiving a Rental Replacement Permit under this By-law.
- (f) A requirement that other conditions to the approval shall be secured by an agreement with the City, and that all restrictions and approvals shall be to the satisfaction of the General Manager and City Solicitor; and/or
- (g) Such other conditions, requirements or provisions reasonably related to minimizing the impact of the Demolition or Conversion on the City's rental housing supply as determined by the General Manager.

12.2 The Rental Replacement Agreement shall be registered by the owner on

title to each property to which the Rental Replacement Agreement applies and may be enforced against the owner and any subsequent owners of the Residential Rental Property. The preparation and registration of the Rental Replacement Agreement shall be to the satisfaction of the City Solicitor.

12.3 No decision shall be made regarding any application pursuant to this By-law until the notice provisions set out in section 8.1 of this By-law have been complied with and have been served on the Tenants in accordance with the Guidelines.

12.4 Where the provisions under section 11 of this By-law have been met and any conditions under section 12 of this By-law have been satisfied, the General Manager shall approve a Rental Replacement Permit.

13 Rental Replacement Permit Issuance

13.1 Subject to section 16.1 of this By-law, if the General Manager approves the Rental Replacement Permit, the General Manager is authorized to issue the Rental Replacement Permit after all the conditions have been satisfied or secured by a registered Rental Replacement Agreement, to the satisfaction of the General Manager.

14 Application for Revisions to Conditions

14.1 If the Applicant applies for revisions to the conditions on a Rental Replacement Permit, the General Manager may treat the request as a new application under this By-law or may otherwise require the Applicant to comply with the notice requirements of this By-law.

15 Revocation of Rental Replacement Permit

15.1 The General Manager may revoke a Rental Replacement Permit if:

- (a) The Rental Replacement Permit was issued on mistaken, false or incorrect information.
- (b) The conditions to the Rental Replacement Permit are not complied with; or,
- (c) The Applicant or registered owner of the Residential Rental Property or other holder of the Rental Replacement Permit has contravened this By-law.

15.2 Where a Rental Replacement Permit for Demolition has been issued under this By-law and the building permit for the new construction is revoked under the Building Code Act, 1992, the Rental Replacement Permit shall be deemed to be revoked and this By-law shall apply to any subsequent application for Demolition of the Residential Rental Property for which the original Rental Replacement Permit was issued.

15.3 Section 15.2 of this By-law does not apply if the Residential Rental Property has been Demolished under a Rental Replacement Permit before the building permit for the new construction was revoked.

16 General Manager Decision Final

16.1 The General Manager's decision to approve, refuse or revoke a Rental Replacement Permit, or impose or revise conditions on a Rental Replacement Permit in accordance with this By-law is final and not subject to further administrative appeal.

PART VII – ENFORCEMENT

17 Powers of Entry and Inspection

17.1 Any City official or Officer may at any reasonable time enter upon any land for the purpose of carrying out an inspection to determine whether the following are being complied with:

- (a) This By-law.
- (b) Any direction or order issued under this By-law.
- (c) Any Rental Replacement Permit condition imposed under this By-

law.

(d) An order issued under section 431 of the Municipal Act, 2001.

- 17.2 Subject to the requirements under section 437 of the Municipal Act, 2001, related to entry to dwellings, submission of an application for a Rental Replacement Permit is deemed to be the consent of the owner for any City official to enter at any reasonable time on to the Residential Rental Property for the purpose of carrying out an inspection.
- 17.3 Where an inspection is conducted under this By-law, any City official or Officer may:
- (a) Require the production of documents and things that may be relevant to the inspection.
 - (b) Inspect and remove documents or things which may be relevant to the inspection for the purpose of making copies.
 - (c) Require information from any Person concerning a matter related to the inspection, including but not limited to name(s), address(es), contact information and proof of identity or other identification.
 - (d) Alone or in conjunction with a Person, possessing special or expert knowledge, make examinations or take photographs necessary for the purpose of the inspection.
- 17.4 No Person shall hinder or obstruct, or attempt to hinder or obstruct, any City official or Officer from exercising any power or authority, or performing a duty as permitted under this By-law.
- 17.5 No Person shall decline or neglect to give, produce or deliver any access, information, document or any other thing, that is requested by any City official or Officer pursuant to this By-law.
- 17.6 Every Person from whom information or any other thing, has been requested in relation to an inspection conducted under this By-law shall identify themselves to any City official and failure to identify shall constitute hindering or obstructing under subsection 17.4.

18 Penalties and Offences

- 18.1 The enforcement of this section of the By-law shall be conducted by any Officer.
- 18.2 Every Person who contravenes any section of this By-law including an order issued pursuant to this By-law or section 444 or 445 of the Municipal Act 2001, is guilty of an offence, and is liable to a fine, and such other penalties as provided for in the Provincial Offences Act, R.S.O. 1990, c. P.33 as amended under the Municipal Act, 2001.
- 18.3 Every director or officer of a corporation who knowingly concurs in a contravention of this By-law by the corporation is guilty of an offence.
- 18.4 Every Person who fails to comply with a term or condition of a Rental Replacement Permit under this By-law is guilty of an offence.
- 18.5 All contraventions of this By-law or an order issued pursuant to this By-law are designated multiple and continuing offences pursuant to subsection 429(2) of the Municipal Act, 2001.
- 18.6 Every Person who is charged with an offence under this By-law upon conviction is liable as follows:
- (a) The maximum fine for an offence is \$100,000.
 - (b) In the case of a continuing offence, in addition to the penalty mentioned in subsection 19.1 (1), for each day or part of a day that the offence continues, the maximum fine shall be \$10,000, and the total of all daily fines for the offence is not limited to \$100,000.
 - (c) In the case of a multiple offence, for each offence included in the multiple offence, the maximum fine shall be \$10,000, and the total of all fines for each included offence is not limited to \$100,000.
 - (d) If a Person is convicted of an offence under this By-law, the potential for economic advantage acquired by or that accrued to the Person as a result of the commission of the offence may be considered an aggravating factor for sentencing purposes which

may attract a special fine and the maximum amount of the special fine may exceed \$100,000 or such other maximum amount permitted by the Municipal Act, 2001.

- (e) If any section of this By-law is contravened and a conviction is entered, in addition to any other remedy, and to any penalty imposed by this By-law, the Court in which the conviction has been entered and any Court of competent jurisdiction thereafter may make an order prohibiting the continuation or repetition of the offence by the Person convicted.

PART VIII – TRANSITION

19 Effective Date

- 19.1 This By-law shall come into effect on the date of passage.

20 Applicability

- 20.1 This By-law applies to a proposal for Demolition or Conversion of a Residential Rental Property in any Related Planning Application except where:

- (a) An application in respect of the Demolition or any Related Planning Application has been made before the effective date of passage of this By-law.

21 General

- 21.1 Any section of this By-law, or any part thereof, that is found by a Court of competent jurisdiction to be invalid shall be severable, and the remainder of the By-law shall continue to be valid.
- 21.2 In this By-law, unless the context otherwise requires, words imparting the singular number shall include the plural, and words imparting the masculine gender shall include the feminine and further, the converse of the foregoing also applies, where the context so requires.
- 21.3 References in this By-law to any legislation (including but not limited to the Guidelines and by-laws) or any provision thereof include such legislation or provision thereof, as amended, revised, reenacted and/or consolidated from time to time and any successor legislation thereto.
- 21.4 This By-law may be referred to as the “Rental Replacement By-law”.

Passed this fourteenth day of July 2026.

Schedules: Nil

Cam Guthrie, Mayor

**Stephen O’Brien, City Clerk [or]
Dylan McMahon, Deputy City Clerk**